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ABSTRACT

In 1968, Michigan began a special program of state-aid grants to local school districts for the education of disadvantaged children. Provisions of the original Michigan statute were rather vague, and the State department of education was given considerable discretion in implementing and administering the program. Many of the rules developed by the State were quite innovative, such as an accountability provision first proposed in 1971. However, political pressures forced constant revision of the administrative rules and procedures developed by the State so that the compensatory education program underwent a gradual metamorphosis. In practice, administration of the program was negotiated between the State department of education and local school districts, and administrative decisions invariably reflected the compromise between State and local interests. As a result, many of the department's more innovative policies, including the controversial accountability provision, were never actually put into practice. (Author/JG)

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THE POLITICS OF IMPLEMENTING STATE GRANT-IN-AID LAWS: THE MICHIGAN COMPENSATORY EDUCATION EXPERIENCE

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INTRODUCTION

In 1968, Michigan began a special program of state-aid grants to local school districts for the education of disadvantaged children. By 1973, this compensatory education effort had become, according to a New York Times article, the most imaginative program of its kind in the country.[1] Local school districts received state-aid dollars on the basis of pupil test scores in reading and mathematics. During the course of the year, school districts were to show gains in the achievements of pupils served by the compensatory program, or lose a portion of their next year's grant. It was the first attempt by a state education agency to hold local school districts financially accountable for instructional outcomes. Although unique and highly controversial, Michigan's effort to implement an accountability idea in state-aid distribution offers us an opportunity to ask some important questions about the nature of state-local relationships in education. How effective can we expect state departments of education to be in initiating and carrying out programs of instructional reform? What are the political and organizational impediments to state leadership? What happens to a state-aid law when it leaves the hands of the legislature and is turned over to an administrative agency to be carried out? How do state and locality interact in the translation of state-initiated reform into education practice?

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[1] The New York Times, December 11, 1974.

Answers to these questions are important for three reasons. First, there has been much recent interest in strengthening the leadership capacities of state education departments. The Michigan case allows us to see how successful one of the nation's reputedly best state agencies is in stimulating education reform. Second, a better understanding of state-local interaction in education is of timely interest, as there is continued consideration of policy which would turn many federal responsibilities over to the states. Third, there is a need to know more about the politics of education at the state level. Particularly in the implementation of state policy (as opposed to the formation of school law), there has been to date very little research.

To answer these questions, this paper focuses on the administration of Michigan's compensatory education program from its beginning in 1968 to the current shcool year. The paper will examine chronologically a number of issues which have characterized the development of the Michigan program over time--focusing upon patterns of organizational interest, state-local interaction, and administrative influence which have pulled the program hither and yon through the years. The paper will close with an attempt to draw some conclusions from the data about the nature of state-local interaction in education and about the leadership capacities of state education departments.

THE MICHIGAN SETTING

Michigan's compensatory education program started in 1968, as a narrowly focused attempt to place added state funds into school buildings serving concentratio of disadvantaged children. The program quickly became known best by its legislativ origins--Section 3 (later Chapter 3) of the annual state school-aid act.

It began with the lobbying efforts of a group of Michigan's "Middle City" school districts (e.g., Lansing, Flint, Grand Rapids, Kalamazoo), as a proposed

replacement for an existing compensatory education effort which had failed to meet city interests.[2] The new program, Section 3, used a special funding formula to assure a major allocative focus upon schools in the cities. Although it began small, with an initial appropriation of just $6,300,000, the intent of the initial law was to channel heavy inputs of state dollars into the state's "poorest" schools. In the first year (1968-69) the compensatory education payments from the state averaged $300 per pupil in recipient schools, and some of the state's larger, city school buildings received more than $300,000 in extra state-aid.

The program grew larger each year In 1969-70, Section 3 received an appropriation of $9,500,000; in 1970-71, it reached $16,500,000, and from 1971-72 onward, it worked from an annual appropriation of $22,500,000. As it grew, it also changed. In 1970, the initial funding formula was replaced by a procedure which used the results of statewide testing as a base for determining local school district allotments. In 1971, the accountability provision was added--requiring evidence of local progress in pupil achievment as a condition for continued funding

The Beginning

At its birth in 1968, Section 3 was a compromise between state and locality. As originally drafted by local administrators for "Middle City" schools, the intent of the newly proposed problem was simple: Increased state dollars for compensatory education were to be channeled into Michigan's major urban communities. In place of an existing, loosely-controlled compensatory effort, a formula-based grant would

[2]Michigan initiated legislation for state-funded compensatory education in 1965 the same year as the passage of ESEA, Title 1. This early program distributed grant to local schools on a competitive, project-award basis. The awards tended to be sm (averaging about $75,000) and were widely distributed among the various geographic areas and types of school districts in the state.

award funds according to five indices of "cultural and economic deprivation."[3] One index in particular was looked upon as very important in maximizing urban interests. This was to be a count of the number of "underprivileged children" which local school districts served. The "underprivileged children" criterion was defined operationally in the administrative rules as the percentage minority group enrollment in each school building.

Michigan Department of Education (MDE) officials at first opposed the Middle Cities' bill. While the Middle Cities' proposal was formula based on the poor and the black, there appeared to be no restrictions on local use of the compensatory dollars. State officials saw the proposed program as a sudden attempt by the cities to "grab the state's available compensatory education resources. "There was a big joker in the Middle Cities' proposal," it was explained, "there were no restrictions on the use of the money; it was formula based on the poor but was in fact general aid to the local district."[4] It seemed clear to Department of Education administrators that the proponents of Section 3 "just wanted extra money under the cloudy banner of helping poor kids."[5]

At legislator insistence city and state administrators met in a number of stormy sessions in the State Superintendent's office and worked out a compromise. The Middle Cities received their compensatory program, but the state secured some important administrative controls. A first clause protected the interests of "outstate" schools. The new state-aid law would place strict limits on the number of programs to be funded in each of the state's cities--just six schools could be

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[3]These criteria were" (1) the percentage of students in each school who received aid from welfare and ADC, (2) the percentage of students who lived in broken homes, (3) the percentage of "underpriviledged" children in each school, (4) the percentage of students who resided in substandard housing, and (5) the density of the school age population in each school attendance area.

[4]Interview with an Assistant State Superintendent of Public Instruction.

[5]Ibid

funded in Detroit, only two each in Grand Rapids and Flint, and just a single school per district elsewhere. A second clause required that school districts receiving the dollars could use the money only in specifically designated ("disadvantaged-area") schools. Local districts couldn't spread the compensatory dollars around. And, a third clause severely restricted local prerogatives in the budgetary use of the state money. The compensatory education dollars could only be used in each school to reduce class size, to hire paraprofessionals, or to provide inservice teacher training.

The Underprivileged Children Issue

In its first year, the distribution of compensatory education dollars reflected the state-local compromise. With limits on the number of fundable schools per district, Detroit and the Middle Cities together received just forty-seven percent of the 1968-69 allocation. Rural school districts, despite the city-biased character of the funding formula, garnered thirteen percent of the compensatory dollars. Thirty of the forty-seven school buildings recieving Section 3 assistance in 1968 were not located in the central cities.

Clearly, however, first-year allocations under the program had not maximized city interests. Detroit, particularly, with its very large number of "disadvantage area" schools, saw itself unduly punished by the six-school limitation. Therefore, in legislation for 1969 Detroit lobbied vigorously for a liberalization of the funding restrictions, and the state-aid law was accordingly amended to permit up to forty percent of the available dollars for 1969-70 to go to a single school district.

In revisions of the law and the administrative procedures for 1969, nobody gave much thought to the implications of the funding criterion: "Underprivileged children." Definitions and methodologies had been established, had been written into state administrative rules, were well "tested" operationally, and were now

standard operating procedures for the program. There was no advance warning that the "underprivileged children" measure, based upon counts of minority enrollments, would fall apart; it simply escaped attention as busy state officials hurried to compute state-aid distributions for a revised law which had passed only a few days before the opening of school in the fall.

In retrospect, it's difficult to see how the Department of Education's definition of "underprivileged children" lasted even one year. Clearly, the funding criterion was of very doubtful constitutionality; the allocation of state funds on the basis of race, whether in favor of white or black, should hardly have merited serious consideration in the development of administrative rules Yet it did, and through 1968-69 the rule went unchallenged. Unfortunately, the rule worked, for with the earlier funding restrictions removed, the minority count directed compensatory funds for 1969 into the cities and into ghetto shcools. And, as a result, a number of previously funded, northern rural schools were suddenly told in the Fall of 1969 that they had been eliminated from funding eligibility.

Two of the victimized rural school districts promptly took the Department of Education to court--charging that the underprivileged children measure, based upon race, was discriminatory and unconstitutional. School districts with concentrations of poor and deprived, but nonminority children were not provided with equal opportunities for participation under the law. Consequently, on November 7, 1969, an injuction was issued temporarily halting the disbursement of Section 3 funds, pending litigation.

The outcome of the suit seemed apparent to all parties concerned. The color criterion was in fact discriminatory and there was little doubt that the court would require a new administrative rule for "underprivileged children"--a procedure which would require some time before it could be formulated, adopted, and fully implemented. It was already late in the Fall of 1969, well into the school year,

and it looked as if there would be considerable additional delay before Section 3 funds could be distributed.

Concerned state officials appealed for help to the Michigan Legislature; and in December of 1969 an amendment to Section 3 and a supplemental appropriation quickly passed, providing resources for the affected schools The injunction was lifted, and the Department of Education began considering alternative procedures for determining program eligibility in the future, for it was clear that a revised compensatory education distribution formula would need to be developed for 1970.

The Test Scores Issue

Accordingly, as 1969 drew to a close, the MDE submitted draft legislation for a "modified version" of Section 3 which would now utilize an, as yet untried, statewide testing effort as a data base for compensatory education funding. Henceforth, it was suggested, Section 3 dollars would be distributed according to pupil test results in the "basic skill" areas of reading and mathematics plus the analysis of certain "socio-economic" criteria. Schools with combinations of low achievement averages and low socio-economic status scores would receive state-aid emphasis.

There seemed little doubt among Department of Education officials that the state testing effort would provide a very acceptable substitute for the selection of "neediest" schools. City schools, particularly in the inner-city, would surely perform least well on achievement. A socio-economic questionnaire which was to accompany the state tests would provide added insurance--directing dollars to the schools in each city which served the poorest pupils. The Department of Education quick action in replacing the original formula had helped to preserve most other aspects of Section 3 without change. The funds were still to be targeted for specific, "disadvantaged" schools and the 1968 controls over local district use o

the allotted funds were continued. The only significant changes other than the distribution formula were (a) a five percent funding guarantee for rural schools, and (b) the complete removal of all restrictions upon the dollars which could go to any single school district. Detroit, theoretically, could receive ninety-five percent of the 1970 appropriation.

When implemented, the new "test scores" formula plus the removal of the funding restrictions presented a bonus to Detroit. In 1969, Detroit had received less than twenty-three percent of the year's total disbursement; in 1970, with the use of testing, Detroit's allocation jumped by seven million dollars and the city received fifty-five percent of the available dollars. The story for the Middle Cities, though, was just the opposite. Despite a much larger 1970 appropriation, Middle City allotments fell by more than $600,000. In 1969, the Middle Cities had received forty-seven percent of the Section 3 resources; in 1970 they received less than twenty-five percent. Other cities, towns, and suburbs lost funds as well--including a number of school districts which had very heavy concentrations of black pupils. In all, twenty of the thirty-four local school districts funded in 1969 lost Section 3 dollars in the announcement of allocations for 1970. Grand Rapids lost $325,000; Saginaw lost $175,000; Battle Creek lost $100,000; and Flint lost $60,000. The all-black community of Inkster (known as Michigan's poorest district in assessed property value) dropped to $104,858 in 1970, from $268,538 in 1969.

Clearly, the new assessment-based approach had failed to protect adequately the interests of many previously supported school districts and it had failed to provide a close "match-up" with the old criteria in directing dollars, other than in Detroit, into the school districts with the largest concentrations of black pupils. At least part of the failure can be attributed to Detroit's massive problem of school achievement. Detroit ranked far below the rest of the state on

1970 assessment results, and clearly demonstrated a "need" for increased compensatory assistance.

Another important ingredient in the failure of the new procedure was the SES questionnaire. Their was a twenty-six item instrument, developed by Educational Testing Services, using "indirect" questions very similar to those employed by James Coleman in his study of Equality of Educational Opportunity. A vigorous attack upon the validity and legality of the questionnaire was launched by the Middle Cities. The indirect questions used in the twenty-six item instrument were made public, and there was a large outcry over state invasion of privacy in asking fourth-graders about television sets and encyclopedias in their homes. The legislature investigated--asking the State Superintendent where he found the authority to include such a questionnaire in enabling legislation which called for basic skill testing. School administrators throughout Michigan pointed out that the SES criterion was a bad measure--that it had consistently failed to identify the legitimately poor school population in each local district.[7] Again, the Michigan Department of Education was taken into court, this time by the Middle Cities Association; and again, the Legislature had to act to provide a supplemental appropriation for victimized schools.

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[6]For example, Does your family have a television set? A telephone, an automobile, an encyclopedia?

[7]SES scores for each of Michigan's school buildings were produced by first factor analyzing the twenty-six questionnaire items--then using the highest loading factor, or first component , as the SES outcome. Some unusual circumstances developed and were reported in the newspapers--convincing people that the state was guilty of monumental stupidity. A high-loading question, for example was: Does your family have an automatic dishwasher? A low-cost housing project in Detroit did provide dishwashers. The school attended by its residents had been receiving Section 3 help in 1968 and 1969, but failed to qualify in 1970.

The compensatory education formula thus had to be changed once again; and in 1971, the Department of Education proposed a radically different state-aid concept, based now upon notions of local school district accountability. While state tests would still be used, the socio-economic questionnaire would be dropped. No longer would a funding formula attempt to identify recipients who were socio-economically deprived; the focus henceforth would simply be upon the state's "educationally disadvantaged" (rich or poor) as identified by the state tests. Now, local school districts were to be given an additional $200 in state-aid per pupil under the compensatory education program, but the schools were to be subject to a provision in the law which reduced future allotments if gains in pupil achievement failed to occur.

The Accountability Idea

The accountability proposal wasn't very well received by local schoolmen. Some administrators saw it as a natural extension of the "bad press" which continually plagues city schools. "It's discouraging to urban districts--when it looks to the press like we're doing a poor job. With penalties in state-aid because districts aren't able to get every child to read up to grade-level, the press will fire-away without any realistic understanding of the enormous difficulties involved."[8]

Other local administrators just didn't think it would work: "We were very skeptical, and originally opposed the accountability provision; the Department sometimes comes up with some pretty way out ideas which usually aren't very feasible."[9]

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[8]Interview with a superintendent of one of the Middle City school districts.

[9]Interview with an administrator from the Grand Rapids Public Schools.

The school districts accused the Department of Education of trying to put forth a "child punishment model" of education in Michigan--a model which would further damage learning opportunities for the disadvantaged youngsters who needed help the most. And one Middle Cities superintendent explained his opposition in "power" terms: "We know we're going to be held much more accountable than Detroit; we're audited closely but nobody has enough power to take a good, hard, forceful stand with Detroit."[10]

Although the local districts fought the accountability idea, a concerted attack, sufficiently vigorous to defeat it, never developed. There were two major reasons for this. First, the powerful Michigan Education Association never joined actively in the opposition--opting instead for a wait-and-see attitude. As a spokesman put it: "We fully realize that there is in this accountability thing, a basic unfriendliness toward teachers. Accountability can easily become a teacher punishment device, and we're just sitting back to see what the future brings."[11] Second, the state's new Section 3 idea offered an abandonment of the strict administrative controls which the MDE had fought hard to obtain back in 1968. To assist local acceptance of accountability, the Department suggested an elimination of the earlier funding emphasis as well as the removal of all res-

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[10]Interview with a Middle Cities school superintendent.

[11]Interview with a representative of the Michigan Education Association, Lansing, September, 1972. The MEA has since decided to play a much more active role in the politics of accountability. An MEA funded team of scholars produced a highly critical evaluation of the "Michigan Accountability System" in June of 1974, and the MEA has become heavily involved in Michigan's now continuous debate over the scope and direction of the state's accountability idea. See House, Rivers and Stufflebeam, op. cit. Also, C. Philip Kearney, David L. Donovan, and Thomas H. Fisher, "In Defense of Michigan's Accountability Program," Phi Delta Kappan, Vol. L No. 1 (September, 1974), pp. 14-19.

trictions upon local use of the allotted compensatory education dollars. Local district officials were now to be free to use Section 3 dollars for any purpose and were free to distribute the funds widely among their various schools. As one school administrator put it: "The accountability provision carried a carrot for the local schools--spend the money any way you want--it was hard to fight this."[12] Thus, by 1971-72, Michigan's compensatory education program bore few resemblances to its "ancester" of 1968. The emphasis upon reducing class size in specifically selected disadvantaged schools was gone. Restrictions upon local usages of allotted funds had been lifted. No longer were heavy inputs of additional state dollars "impacted" upon the neediest school buildings. No longer were there administrative struggles between state and locality over the kinds of compensatory education expenditures which would be acceptable under the law. The emphasis now was upon accountability and upon extra money for poor achievement, not just poor black kids. Now, new concerns with test results, with selecting eligible pupils, and with the application of an accountability "penalty clause" had replaced old problems involving definitions of socio-economic criteria and allocations to rural schools.

Implementing Accountability

The law establishing accountability was very vague--leaving unanswered some very difficult questions of definition and procedure. The law provided a formula for determining each school district's share of the compensatory education "pie" (giving each school district $200 times the number of its pupils scoring below the fifteenth percentile on state basic skills tests), but it gave little direction

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[12]Interview with a local school district superintendent.

to the job of selecting specific pupils to be served. The law directed schools to identify performance objectives, to pre-and post-test compensatory education pupils, and to achieve a minimum gain of at least 75 percent of the stated objectives in order to achieve full funding the following year. But left untreated in the law were procedures for defining performance objectives and measuring pupil achievement. These "technical" questions, left to the administrative rules process, became critical to the success of the accountability idea. Without "leak-proof" definitions and procedures for pupil selection, testing, statements of program objectives, and the determination of "gain scores" the state would have very little control over accountability outcomes. The MDE recognized this and attempted to establish a set of strong rules.

Strong rules, however, obviously presented a threat to local school districts. A press by the Department of Education for greater precision of definition and for greater particularization of procedure than before in the Section 3 administrative rules was viewed by many school districts with alarm. The districts were worried about the penalty clause in the law and apprehensive generally about the revenue implications of this increased emphasis throughout the state upon improving pupil test scores. Only by preserving as much local discretion as possible could the threats posed by accountability be staved off. Thus, MDE attempts to specify such matters as minimum performance objectives, step-by-step procedures for selecting pupils, and strict pre- and post-test requirements were vigorously opposed--especially since many of these decisions enetered areas of school curriculum and pupil placement which had long been considered "untouchable" areas of purely local responsibility.

In the face of local opposition, the rules process for 1971-72 took a very long time.[13] A first clash between state and locality came over a proposed ruling

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[13]The Section 3 administrative rules for the 1971-72 school year weren't completed until April of 1972.

which would set forth a minimum acceptable performance objective. The law required only that school districts identify their performance objectives, and stipulated that 75 percent of goal attainment was needed for full funding. Loosely interpreted, such language could leave the determination of performance criteria entirely to the local district; and local expectations were that this would be the case. A rule suggested by local schoolmen required each district to establish a performance goal "which would be a stated improvement over the past growth of its compensatory education students."[14] The Department of Education opted instead for a more rigorous, standardized goal. School districts were to include in their applications for state funds a commitment to a gain of at least one year's growth in achievement, as measured by test instruments approved by the state. To many at the local level, this "minimum" appeared to be totally unrealistic as a criterion for disadvantaged children. Translated into grade-equivalent terms, the one year's growth objective would mean a one month's achievement gain for each month in the program. Although full funding (75 percent of the objective) could be attained with just seven month's gain for the year, local officials claimed that even this, from their experience in compensatory education, was way too much to expect.

The one year's growth criterion was a tough, or "hard", rule in the face of local demand for a "soft" administrative interpretation of the law. Other, equally rigorous administrative rules decisions followed. The Department of Education established a hierarcy of procedures for school districts to use in selecting specific pupils for compensatory education treatment. Schools were to use standardized tests for pupil selection and only as a last resort could they use the locally preferred, "softer" measure called "teacher judgment". Another rule required schools to use different test instruments for pupil selection and the pre/post testing of performance--in fear of a contaminating, or regression-toward-the mean,

effect if the same test were used for both purposes. And yet another rule required local schools to demonstrate success through a composite score representing two basic skill subject areas rather than individually in either reading or mathematics, as they preferred. If implemented, the "hard" standards and procedures outlined in the administrative rules and regulations could have resulted in a stiff pattern of state control over local school district programs and perogatives. A state directed and enforced accountability effort in compensatory education might have come to fruition--with a consequent significant alteration in the accepted style and norm of state-local relations.

It didn't happen. During the months of state-local negotiation, both sides had become very much aware of the complexity of the task created by the new Section 3. The MDE had pressed for a "minimum performance objective" of one year's growth in achievement but found it was faced in practice with very difficult problems in standardizing the measurement of performance. Available tests varied considerably in learning behaviors sampled, adequate standardized achievement tests just did not exist for grades K and 1, the time between pre-test and post-test differed from one district to another, and a battle developed over the use of the same test for both pupil selection and evaluation. The Department had prepared a hierarchy of procedures to insure the selection of "lowest achieving" pupils in each district, but a "loophole" developed in implementing the rule. The Department of Education had ruled that future allocations of aid under Section 3 would be based upon a "composite score" of test results in communication and computational skills, but was then faced with the question of defining what skills in reading and math should be covered in this "composite" test score.[15] How, the

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[15]The MDE never succeeded in reaching closure on this important question. The result is shown in an intradepartmental memo developed late in the 1971-72 year: "As you know, local school districts defined these terms (communication and computation) in many ways, and used parts of standardized tests that best suited their definition. As a result, it is difficult if not impossible to determine whether or not schools are operating within the framework of the law."
Michigan Department of Education, intradepartmental memo, May 17, 1972.

districts asked, can we convert our "readiness" tests in grades kindergarten and one into grade equivalency units?[16] How do we achieve a full year's gain in achievement when we are already well into the 1971-72 school year?[17] How about selected pupils who leave the school district after pre-testing but return before post-testing?[18] How about pupils who are deficient in just one skill area (either reading or math)? What happens if a pupil is identified for Section 3 services on one of the selection measures but the pre-test results fail to identify him as an underachiever?[19] Do we have to serve pupils at all grade levels, kindergarten through six, or can we concentrate our funds upon one or two grades?[20]

In the face of a constant barrage of procedural questions and delaying tactics from local schoolmen, in the face of evidence that there would be enormous technical difficulties in putting the rules into operation and that the rules were far from "leak-proof", and in the face of evidence that the opponents of accountability were marshalling political forces aginst the Department of Education's "mismanagement" of the law--the MDE began to make concessions in the form of some "soft" implementation decisions to mitigate the effect of its "hard" stance in the formation of the administrative rules.

A first decision was to assume a posture of leniency in the enforcement of regulations which guided the local selection of compensatory pupils. Although

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[16]Michigan Department of Education, "Some Frequently Asked Questions Concerning Section 3 and the Answers," mimeographed, no date.

[17]Michigan Department of Education, Minutes, Public Hearing on Proposed Section 3 Administrative Rules, Lansing, October 15, 1972.

[18]Ibid.

[19]"Some Frequently Asked Questions," op cit.

[20]Ibid.

a hierarchy of pupil selection criteria had been established, local schools were permitted to go directly to a "teacher judgment" standard, bypassing the use of standardized achievement scores. In planning an audit of pupil selection actions, the Department discussed but decided not to enforce the hierarchy and and decided also not to investigate whether the local districts were selecting large numbers of students who had achieved "too well" on the pre-tests. The audit simply became a check to see if the local schools had the names and test scores of their participants on file; it was found that all of the school districts were in compliance.

Moreover, the Department of Education decided not to close a loophole in its pupil selection rule. The compensatory education law directed local schools to concentrate their additional state-aid resources upon their "lowest achieving" pupils. In the administrative rules, lowest achievers were defined to be those pupils who scored one or more years below grade level on a standardized test. It was soon discovered that this procedure permitted local schools to ignore some of their very "lowest achieving" pupils. Pupils who were one year below their grade norm in achievement would be selected for compensatory assistance but pupils four to five years below grade level could be ignored. The Department discussed the loophole but decided to let the rules stand as drafted. Local school districts saw an opportunity to spread their compensatory education resources widely, hedging their bets against poor pupil performance. "I would be less than candid," admitted one local adminstrator, "if I didn't say our West Side [better] schools are in the program to help to achievement results."[21]

Additional and similar administrative concessions followed. In a major move, in the Spring of 1972, state agency and local school district interests cooperated in asking the Michigan Legislature to drop accountability altogether. Arguing

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[21] Interview with an assistant superintendent from one of Michigan's "Middle City" school districts, October, 1972.

that technical problems had delayed effective program implementation and that accountability couldn't be applied fairly for the 1971-72 school year, the State Superintendent asked that the penalty clause in the law be waived. The legislature complied, providing "forgiveness" in the use of pupil achievement results for compensatory funding in 1972-73. Each school district thus received full funding ($200 per pupil) for the second year of the program no matter what the achievement levels of its pupils were the year before.

During the accountability program's second year, there were some additional concessions to local interests. An important decision allowed school districts considerable leeway in the formation of performance goals. There had been a number of difficulties during 1971-72 in structuring an accountability framework for kindergarten and the first grade. Existing, standardized "readiness" instruments adapted poorly to the need for gain scores between a pre-test and a post-test. Therefore, in the summer of 1972 the Department directed the schools to moves toward the development and use of "criterion referenced instruments" in grades K and 1 for 1972-73. The districts were to submit copies of their minimum performance objectives and tests to the state before receiving approval for 1972-73 funding; it was also hinted that in the following year, 1973-74, the criterion reference approach could be extended to grades 2 through 6. Although upset at the timing of the state's directive and the difficulties which would be encountered in developing satisfactory instruments by the opening of school in September, local school officials were pleased with the decision. "The criterion reference thing is beautiful," enthused one administrator, there's really no way now that we can lose money at K-1."[22] "The state really helped on this," offered a second respondent, "they have stressed minimal objectives, even telling us that our objectives and items were too difficult--and said, 'Look, you're dealing with lower

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[22]Interview with a local school district coordinator for compensatory education programs, October 11, 1972.

level kids and they should all (about 90%) reach these goals.' "[23] "We developed a list of objectives and sent them in to Lansing," explained another project director, "but they said they were higher expectations than the minimum objectives promised."[24] "We're really specifying minimal objectives for K-1," offered yet another local administrator, "really easy."[25] "Yes," admitted a state official, "with the criterion reference tests it'll be a giveaway."[26]

Despite administrative concessions, it seemed apparent again to state and local administrators, by the late Spring of 1973, that the application of the accountability "penalty clause" would seriously reduce levels of local funding for the coming year. Detroit, in particular, warned the state that its test results were going to lead to the loss of a large part of its compensatory education grant unless something was done. In early June, the Department of Education asked the legislature once again for a form of "forgiveness." Local schools were allowed, for 1973-74, to retain their "unearned" dollars for pupils who failed to show the required gain in achievement. In turn, they were to provide a different "educational delivery system" for the affected pupils and to make sure the pupils achieved 75 percent of their prescribed performance objectives for 1973-74. With legislative acquiescence, local schools were assured that, as the program prepared to enter its third year, Michigan's accountability idea in grant-in-aid distribution would not be

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[23]Interview with a local school district administrator, September 26, 1972.

[24]Interview with a local school official, October 12, 1972.

[25]Interview with an administrator from one of the Middle City school district August 1, 1972.

[26]Interview with a state administrator, Bureau of Research, Michigan Department of Education, Lansing, August, 1972.

applied.

A year later, in funding for the school year 1974-75, the decision again was not to apply the accountability provision. Once again, local school districts were allowed to make special application to retain their "unearned" compensatory education dollars. Moreover, in its design of the 1974-75 compensatory education law, the legislature decided finally to remove the program's penalty clause altogether. The accountability idea, at last, was formally buried; and pressure is building now in Michigan to replace the penalty provision with an incentive clause for 1975-76--that is, to reward local schools for surpassing state achievement norms rather than punish them for poor pupil performance.

CONCLUSIONS

Years ago, as the accountability idea was first being examined in Michigan, a savvy school district superintendent had little confidence that it would ever be applied. "Look," he summarized, "nobody's going to hit Detroit or Grand Rapids with a big loss. If the crunch hits a large district, somebody in the legislature is going to come up with amendments. I don't see how accountability can be applied in Michigan's political atmosphere."[27]

Evident throughout the life of Michigan's compensatory education experiment is the effect this "political atmosphere" has had upon the administration of a law. Again and again throughout the life of the program, the formation of administrative rules and the implementation of state procedures has been influenced by the considerable power available to both state and locality. As a com-

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[27] Interview with a local school district superintendent, October 4, 1972.

bination of state authority as well as local autonomy, the administrative process must be, and is, receptive to a constant push and pull of competing needs. Neither rural schools, nor the "Middle Cities," nor Detroit, nor the Michigan Department of Education had enough independent power to control the administrative process, yet each had considerable ability to force changes which affected its vital funding interests. The result was a program pulled hither and yon, from one concept to another over the years--a program, which despite some creative ideas in state-aid distribution, never seemed to quite "get-it-all together" administratively.

A major conclusion to be drawn is that we should be very realistic about any expectations of "leadership" from state education departments. In its efforts to implement some new ideas in grants to local agencies, the Michigan Department of Education found itself ill-prepared to wield the administrative power which seemed to be implied in the compensatory education law.

The Michigan statute was typically vague; it left much to the discretion of state rule-makers and depended much upon the expertise of state officials for the implementation of what were often very technical details. Many of the provisions of the Michigan program over the years were innovative, requiring a careful and thorough consideration of alternative policies and an attempt to apply the best knowledge then available in the field of education to problems of state-aid distribution. By 1971-72, the program, with its accountability emphasis, required considerable state direction in the areas of research, planning, goal-setting, and evaluation. Despite these requirements for considerable technical expertise, a weighing of alternatives, a search for the "best" administrative policy, and careful planning--the development of state rules and regulations for compensatory education was a very political process. The rules, and

decisions made in their implementation, were the results of bargaining between state agency and local district; rather than being an outgrowth of planning, incorporating the best knowledge available, administrative decisions commonly reflected the compromised interests of state and local educational organizations. The crux of the problem for Department of Education "leadership" was that it needed the support of its local clients in order to implement the law. Only be keeping controversy well in hand, by maintaining a status quo in compensatory funding, and by tempering any leadership demands upon the local schools could the Department insure that at least the idea of accountability in state-aid for education (although never applied) should live.